the benchmark levels and requiring the submission of cost of service showings as the only alternative to justify existing above-benchmark rates, be stayed pending the outcome of the NPRM on cost of service standards. InterMedia proposes, should the Commission grant this request, that the freeze on cable television rates be continued as provided in the Freeze Order, as modified, during the pendency of the NPRM.[12]

Based on the foregoing, InterMedia respectfully requests that the Commission stay the June 21, 1993 effective date of its rate regulation rules, pending the ultimate disposition of its rulemaking on cost of service standards.

Respectfully submitted,

INTERMEDIA PARTNERS

By: ______________________

Stephen R. Ross
Kathryn A. Hutton
ROSS & HARDIES
888 16th Street, N.W.
Suite 300
Washington, D.C. 20006

(202) 296-8600

Dated: June 4, 1993

[12] Since it is likely that completion of the cost of service rulemaking will take months, InterMedia suggests that operators be permitted to adjust their rates beginning January 1, 1994 for inflation and for external costs while the freeze is in place, if necessary.

EXHIBIT 1

DECLARATION

I, David G. Rozzelle, am the Chief Executive Officer, Cable Operations, for InterMedia Partners. In that capacity, I am responsible for all cable operations of the company. InterMedia Partners ("IP") is a series of limited partnerships and

EXHIBIT 2

DECLARATION

I, Karen J. Linder, am Chief Financial Officer for InterMedia Partners and related InterMedia companies. Prior to my current position at InterMedia, I worked for six years as a lender to media and entertainment companies at The Bank of New York and Manufacturers Hanover Trust Company.

The InterMedia systems are funded by four separate and distinct financings. Three of InterMedia's financings are provided by banks, insurance companies and a large credit corporation. The fourth is financed with public debentures but will require a working capital line from a bank or banks sometime this year. These financings were structured as typical cable loans, i.e., debt was extended based on a multiple of Cash Flow (earnings before interest, depreciation, amortization and taxes). Our financial covenants in our loan agreements all include Cash Flow as a component of their calculation. We must also prove compliance with these covenants on a pro forma basis before we can borrow additional funds to meet our ongoing working capital needs, the largest of which are payments of interest and capital expenditures.

We have conducted a preliminary analysis of the impact on Cash Flows of moving to the appropriate permitted base channel rates under the Commission's benchmark methodology. The resultant predicted Cash Flow will cause InterMedia to violate its financial covenants in all three bank/credit corporation financings and will likely prevent us from obtaining a needed working capital line in the fourth. We will have to seek necessary amendments from our lenders who may restrict further borrowings because of our reduced Cash Flow. Without additional capital, we will not be able to fund rebuilds already under way and those which are required under our franchise agreements. I have, therefore, recommended that the InterMedia companies explore a cost of service approach.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: 4 day of June, 1993.

Karen J. Linder

Karen J. Linder

DECLARATION

Exhibit No. 3

I, Ron Kirkeeng, am the Director of Capital Purchasing for InterMedia Partners. In that capacity, I oversee the ordering and purchasing of the capital equipment and materials used to repair and replace InterMedia's cable properties.

In light of the need to retier in order to comply with the FCC's rate regulation rules, the company, which has over 200 cable headends located throughout the United States, must order hundreds of modulators, processors and other pieces of headend equipment. I have been advised by our equipment suppliers that we will not receive a significant percentage of the needed equipment for six to eight weeks and in some cases, even longer. I cannot find sources for this equipment which can satisfy our need to meet the June 21, 1993 deadline for retiering and rate changes because of the large demand for such equipment throughout the industry.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: 4th day of June, 1993.

Ron Kirkeeng

Ron Kirkeeng

CERTIFICATE OF SERVICE

I, Susan Benson, a secretary in the law firm of Ross & Hardies, do hereby certify that true copies of the foregoing "Petition For Stay" were hand-delivered this 4th day of June, 1993 to the following:

Chairman James H. Quello
Federal Communications Commission
1919 M Street, N.W., Room 814
Washington, D.C. 20554

Commissioner Andrew C. Barrett
Federal Communications Commission
1919 M Street, N.W., Room 844
Washington, D.C. 20554